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SERVICE DATE - JUNE 30, 2000

SURFACE TRANSPORTATION BOARD

NOTICE

STB Docket No. MC-F-20968

NATIONAL EXPRESS GROUP PLC, ET AL.--CONTROL EXEMPTION--SCHOOL
SERVICES AND LEASING, INC., ET AL.

AGENCY: Surface Transportation Board.

ACTION: Notice of filing of petition for exemption.

SUMMARY: National Express Group plc (NEG) and National Express Corporation (NEC), noncarriers, seek an exemption under 49 U.S.C. 13541 from the prior approval requirements of 49 U.S.C. 14303(a)(5) to acquire control of five motor passenger carriers. Expedited action has been requested.

DATES: Comments must be filed by July 17, 2000. Petitioners may file a reply by July 20, 2000.

ADDRESSES: Send an original and 10 copies of any comments referring to STB Docket No. MC-F-20968 to: Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, send one copy of comments to petitioner's representative: Frank M. Putman, Gardere Wynne Sewell & Riggs, L.L.P., 1000 Louisiana, Suite 3400, Houston, TX 77002.

FOR FURTHER INFORMATION CONTACT: Beryl Gordon, (202) 565-1600. [TDD for the hearing impaired: 1-800-877-8339.]

SUPPLEMENTARY INFORMATION: NEG, an English corporation, and NEC, a Delaware corporation controlled by NEG (collectively petitioners),¹ request an exemption under 49 U.S.C. 13541 from the prior approval requirements of 49 U.S.C. 14303(a)(5) to acquire control of the following five motor passenger carriers (collectively carriers): School Services and Leasing,

¹ Petitioners' existing subsidiaries include: ATC Vancom, Inc., Kenneth E. Bauman Bus, Inc., Durham Transportation, Inc., Crabtree-Harmon Corporation, Forsythe & Associates, Inc., Multisystems, Inc., and Robinson Bus Service, Inc. All of these subsidiaries provide non-regulated transportation services, although Robinson Bus Service, Inc., holds motor carrier authority in Docket No. MC-2844 (Sub-No. 7). NEG conducts a portion of its operations in North America through its wholly owned subsidiary, Nexus Investment General Partnership (NIGP), a Nevada general partnership, in which the only partners are two United Kingdom companies, both of which are wholly owned by NEG.

Inc.;² School Services and Leasing of Massachusetts, Inc.;³ Student Bus Services, Inc.;⁴ Helweg and Farmer Transportation Company, Inc.;⁵ and Swope Farm & Livestock Company, Inc.⁶

Petitioners will acquire control of the carriers through the acquisition by NEC of all of the issued and outstanding capital stock of School Services of Kansas and Helweg. Indirect control of the other three carriers, School Services of Massachusetts, Student Bus Services, and Swope, will result from the acquisition of the stock of their parent corporations.⁷ The transaction will be accomplished pursuant to a Share Purchase and Sale Agreement dated May 26, 2000, by and between NEC and Graydon J. Kincaid, Jr., the registered and beneficial owner of all of the issued and outstanding shares of capital stock of School Services of Kansas and Helweg. Upon completion of the acquisition of the stock, NEC will operate the carriers.

A copy of this notice will be served on: (1) the U.S. Department of Transportation, Federal Motor Carrier Safety Administration-HMCE-20, 400 Virginia Avenue, S.W., Suite 600, Washington, DC 20024; (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530; and (3) the U.S. Department of

² School Services and Leasing, Inc. (School Services of Kansas), is a Kansas corporation. It holds federally issued operating authority in Docket No. MC-250907, which authorizes it to carry passengers for hire in interstate commerce, but it primarily provides non-regulated school transportation services.

³ School Services and Leasing of Massachusetts, Inc. (School Services of Massachusetts), is a Massachusetts corporation and is a wholly owned subsidiary of School Services of Kansas. It is primarily a provider of non-regulated school transportation services.

⁴ Student Bus Services, Inc. (Student Bus Services), is a Connecticut corporation and is a wholly owned subsidiary of School Services of Kansas. It is primarily a provider of non-regulated school transportation services.

⁵ Helweg and Farmer Transportation Company, Inc. (Helweg), is a New Mexico corporation. It holds federally issued operating authority in Docket No. MC-337007 and has applied to the Federal Motor Carrier Safety Administration for authority to operate as a motor passenger contract carrier, but it is primarily a provider of non-regulated school transportation services.

⁶ Swope Farm & Livestock Company, Inc. (Swope), is a New Mexico corporation and is a wholly owned subsidiary of Helweg. It holds federally issued operating authority in Docket No. MC-128026, but it is primarily a provider of non-regulated school transportation services.

⁷ The appropriate filing has been made under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, 15 U.S.C. 18a, with respect to that portion of the transaction that involves NEG's control of non-federally regulated entities.

Transportation, Office of the General Counsel, 400 7th Street, S.W., Washington, DC 20590.

Board decisions and notices are available on our website at “WWW.STB.DOT.GOV.”

Decided: June 23, 2000.

By the Board, Chairman Morgan, Vice Chairman Burkes, and Commissioner Clyburn.

Vernon A. Williams
Secretary